

10 September 2018

DRILLING COMMENCES AT PEBAS COPPER-GOLD PROJECT, BRAZIL

Highlights:

- Maiden 2,000m RC drilling program underway at the Pebas Copper-Gold Project.
- The fault-related copper-gold targets at Pebas are analogous to the high-grade Antas Norte Copper-Gold Mine operated by Oz Minerals, located just 25km to the south.
- The main targets at the Pebas Copper-Gold Project include:
 - *The Tucunaré Target – a +1.5km long copper-in-soils (+1,000ppm Cu) anomaly coincident with a discrete magnetic anomaly that has returned rock chip results of up to 27.6% copper, 4.6g/t gold and 0.75% cobalt;*
 - *The Surubim Target – a 400m long and up to 500m wide soil anomaly with sample grades of over 1,000ppm copper. The Surubim anomaly is coincident with a magnetic low set inside a broader magnetic high; and*
 - *The Filhote Target – an 800m long, +500ppm copper anomaly coincident with a magnetic signature and interpreted structural zone.*
- All drill holes will be prepared for down-hole EM surveying.

Centaurus Metals (ASX Code: CTM) is pleased to announce that it has commenced its maiden drilling program at its 100%-owned Pebas Copper-Gold Project, located in the world-class **Carajás Mineral Province** in northern Brazil. The 2,000m program will test multiple copper-gold targets.

The Pebas Project contains four quality targets set within the highly prospective Itacaiúnas Supergroup, which hosts all IOCG deposits within the Carajás Mineral Province. Historical diamond drilling carried out by a TSX-listed explorer in 2010 returned broad zones of lower grade mineralisation (146.9m at 0.21% Cu and 0.08 g/t Au from surface). Within these zones there are localised high-grade intersections of up to 3.74% Cu and 0.47 g/t gold.

Drilling will focus on high-grade fault-related IOCG targets at Pebas that are analogous to the Antas Norte Copper-Gold Mine, located 25km to the south and operated by ASX 100 Company, Oz Minerals Ltd. The geological and structural settings are similar and the copper-in-soils anomalies at the Tucunaré and Surubim Targets are of the same magnitude (+1,000 ppm Cu) as the original Antas Norte geochemical anomalies.

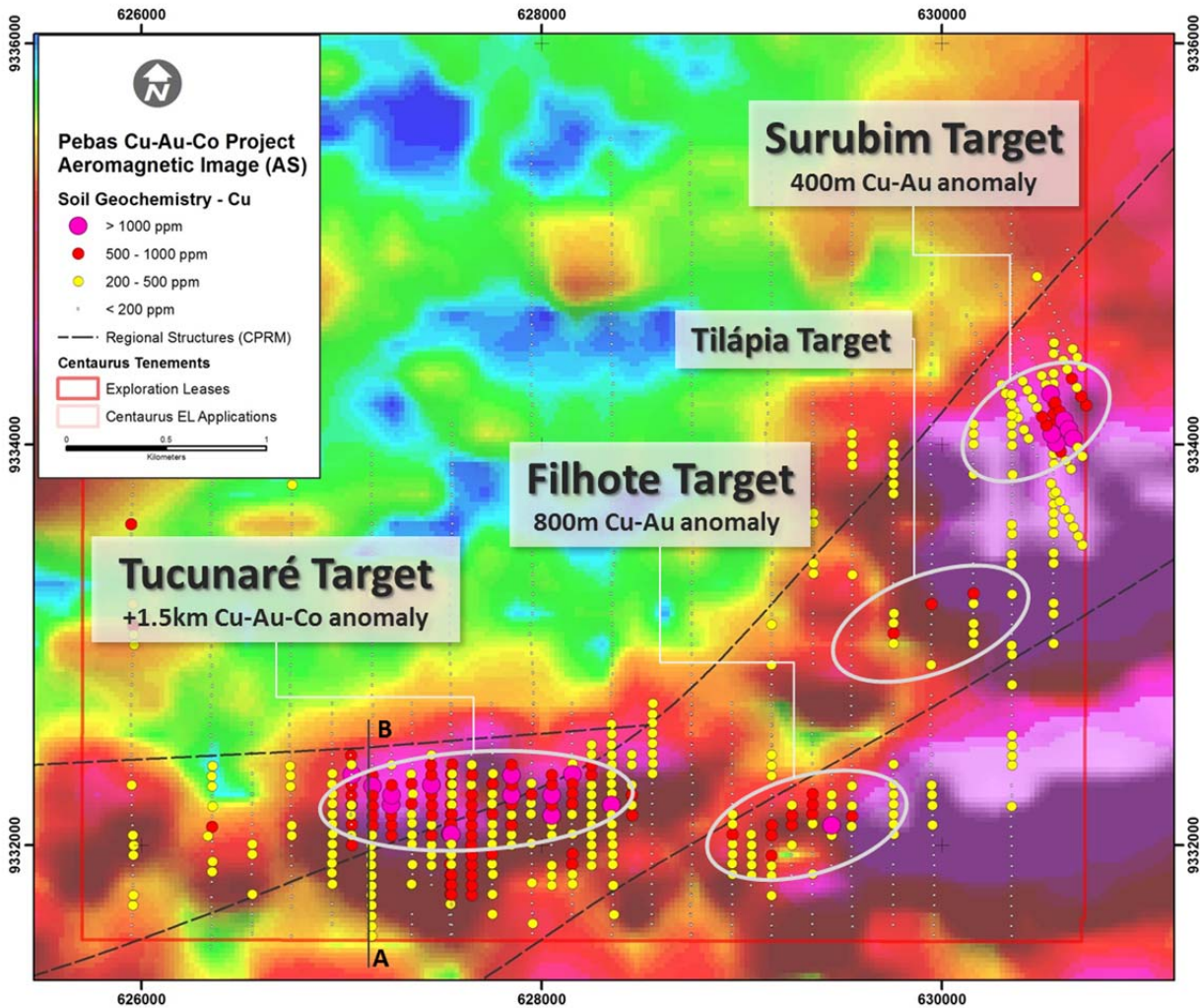
The high-grade copper mineralisation at the Antas Norte mine is roughly 60m thick, has a strike of 700m and sub-vertical dip and is one of the highest-grade copper mines in the world with a reserve grade of 2.4% Cu¹.

¹ Refer to Oz Minerals presentation "OZ Minerals takeover offer for Avanco Resources" dated 27 March 2018 at www.ozminerals.com



The Company plans to test multiple high-grade fault-related IOCG targets at Pebas that were not tested by previous drilling. The program will initially cover three of the four high priority targets (Tucunaré, Surubim and Filhote, see Figure 1).

Figure 1 – The Pebas Cu-Au Project – Target Locations



Tucunaré Target

The +1.5km long Cu-Au-Co-P soil anomaly at the Tucunaré Target is coincident with a 1.5km long discrete magnetic signature (Figure 1) that is distinct from the regional anomalies that are associated with the iron formations of the Itacaiúnas Supergroup. Historical rock chips from the Tucunaré Target have returned assay results of up 27.6% copper, 4.6g/t gold and 0.75% cobalt.

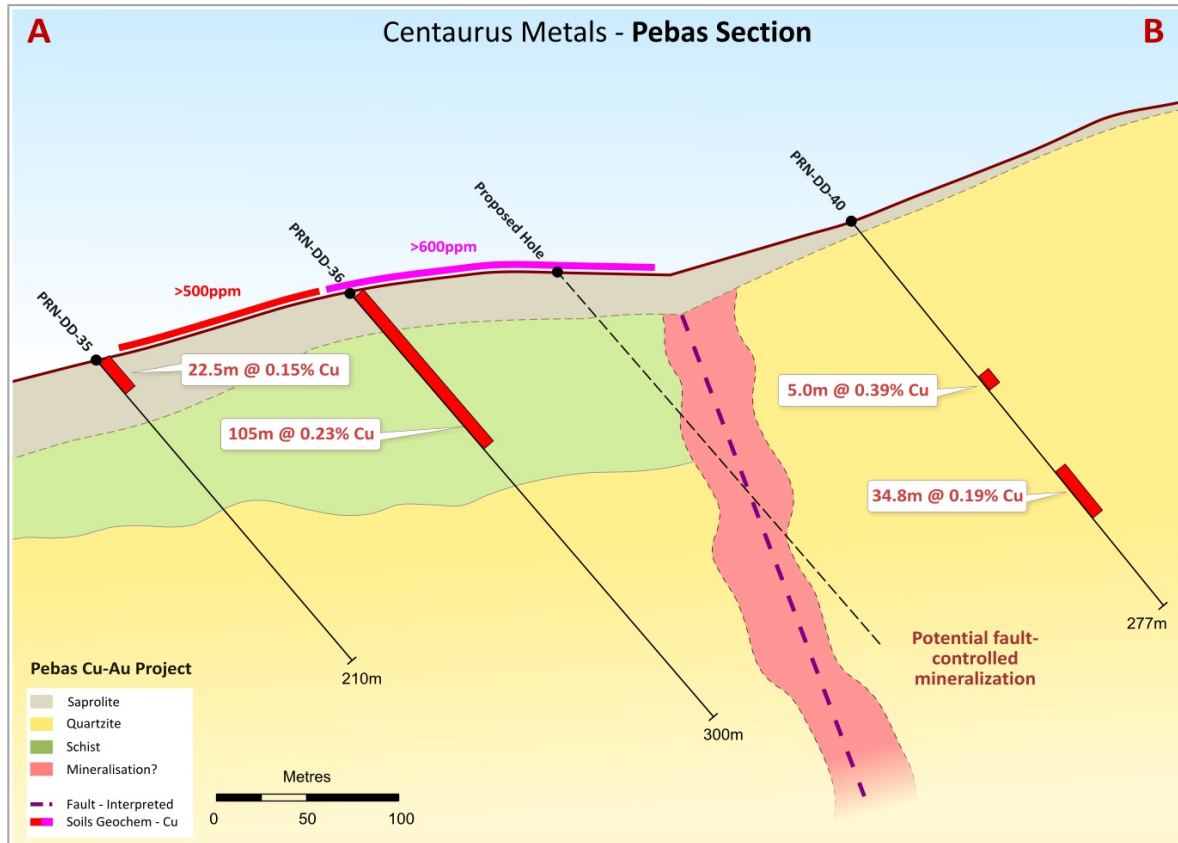
TSX-listed explorer INV Metals Inc. (INV) completed nine reconnaissance diamond holes over the Tucunaré Target in 2010. Highlights of the historical results include the following continuous intersections (see attached Table 1 for a full list of the drill results historically released by INV).

- **146.9m at 0.21% Cu and 0.08g/t Au** in drill hole PRN-DD-37 from surface, including
 - **2.1m at 0.96% Cu** from 53.7m,
 - **1.0m at 1.73% Cu** from 91.6m; and
 - **2.3m at 1.15% Cu** from 115.9m.
- **105.0m at 0.23% Cu** in drill hole PRN-DD-36 from surface, including
 - **31.3m at 0.33% Cu** from 18.2m.



Copper mineralisation appears to be controlled by an east-west trending fault along the northern limit of the Tucunaré Target. The Company’s interpretation of the drilling – which has been further supported by detailed mapping and soil geochemistry – indicates that the mineralisation appears to be thinning and becomes of lower grade with increasing distance from the fault contact.

**Figure 2 – The Pebas Copper-Gold Project – Drill Section (from INV NI 43-101 Technical Report of March 2012).
Section location can be seen on Figure 1 (the N-S section)**



As the section shows, there is a distance of more than 300m between holes PRN-DD-36 and 40. The faulted contact between the siliceous quartzite (North) and the highly altered mafic schists (South) remains untested. This fault may have served as a feeder structure for the mineralising fluids and is the initial key exploration target at the Tucunaré Target.

Surubim Target

The Surubim Target is located 2.5km to the north-east of the Tucunaré Target. The Surubim Target is around 400m long and up to 500m wide with consistent soil sample grades of over 1,000 ppm copper. This anomaly is coincident with a magnetic low set inside a broader magnetic high – an important geophysical feature which may represent sulfidation of iron oxides.

Recently completed detailed mapping has identified a cupriferous gossan that sits within the interpreted NE-SW fault zone. This fault zone represents the north-western limit of the +1,000ppm copper-in-soils anomaly (see Figure 1).

There has been no historical drilling on the Surubim Target. The Company has planned a number of drill holes to test the gossan at depth.



Filhote Target

The Filhote Target zone consists of an 800m long, +500 ppm copper anomaly coincident with a magnetic signature and interpreted structural zone. There has been no historical drilling on the Filhote Target. The Company has planned a number of drill holes to test the copper-in-soils anomaly.

Figure 3 – RC rig drilling at drill hole PBS-RC-18-001



-ENDS-

Released by:

Nicholas Read
Read Corporate
M: +61 419 929 046

On behalf of:

Darren Gordon
Managing Director
Centaurus Metals Limited
T: +618 6424 8420

Competent Person Statement

The information in this report that relates to Exploration Results and Exploration Targets is based on information compiled by Roger Fitzhardinge who is a Member of the Australasian Institute of Mining and Metallurgy. Roger Fitzhardinge is a permanent employee of Centaurus Metals Limited. Roger Fitzhardinge has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Roger Fitzhardinge consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Exploration Target

This report comments on and discusses Centaurus Metals Limited's exploration in terms of target size and type. The information relating to Exploration Targets should not be misunderstood or misconstrued as an estimate of Mineral Resources or Ore Reserves. The potential quantity and quality of material discussed as Exploration Targets is conceptual in nature since there has been insufficient work completed to define them as Mineral Resources or Ore Reserves. It is uncertain if further exploration work will result in the determination of a Mineral Resource or Ore Reserve.

**AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT
& MEDIA RELEASE**



**Table 1 – INV Drill Results for the Pebas Copper-Gold Project Area
(source INV NI 43-101 Technical Report dated March 2012)**

Hole	East	North	Dip	Azimuth	EOH	To	From	Interval (m)	Cu %	Au ppm
PRN-DD-35	627143	9332062	-50	360	210	0	22.5	22.5	0.15	
PRN-DD-36	627121	9332182	-50	360	300.1	0	105	105.0	0.23	
<i>including</i>						18.2	49.5	31.3	0.33	
PRN-DD-37	627348	9332157	-50	360	209	0	146.9	146.9	0.21	0.08
<i>including</i>						53.7	55.8	2.1	0.96	
<i>and</i>						91.6	92.6	1.0	1.73	
<i>and</i>						112.5	120.4	7.9	0.56	
<i>including</i>						115.9	118.2	2.3	1.15	
PRN-DD-38	627358	9332079	-50	360	191	102	118.8	16.8	0.18	
<i>including</i>						113.4	118.8	5.4	0.38	
PRN-DD-39	627500	93332000	-50	360	219	0	29.5	29.5	0.19	
						79.7	80.8	1.1	0.89	
						187.1	188.6	1.5	0.94	
PRN-DD-40	627088	9332505	-50	360	277.1	115	120	5.0	0.39	
<i>including</i>						119	120	1.0	1.12	0.12
						174.1	208.9	34.8	0.19	
PRN-DD-41	628072	9331966	-55	320	200.2	45.4	49.7	4.3	0.38	
<i>including</i>						47.2	48.4	1.2	0.84	0.21
						59.2	60	0.8		2.50
						159.7	178	18.3	0.16	
PRN-DD-42	628097	9332210	-50	360	193.9	41.1	95	53.9	0.10	
PRN-DD-43	628915	9331967	-50	360	221	39.9	40.4	0.5	3.74	0.47
						111.2	144	32.8	0.10	

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT & MEDIA RELEASE



APPENDIX A – TECHNICAL DETAILS OF THE PEBAS COPPER-GOLD PROJECT, JORC CODE, 2012 EDITION – TABLE 1 SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> • Soil samples were collected at 50m intervals along 100, 200 or 400m spaced grid lines along the strike of the project. Surface material was first removed and sample holes were dug to roughly 30cm depth. A 2-3kg sample was taken from the subsoil. The sample was placed in a plastic sample bag with a sample tag before being sent to the lab. • Roughly 350 historical samples were collected by INV and Teck. • Surface rock chip/soil samples were collected from in situ outcrops and rolled boulders for chemical analysis.
<i>Drilling techniques</i>	<ul style="list-style-type: none"> • Historical drilling was carried out by Geoserv Pesquisas Geologicas, using a hydraulic diamond rig, drilling NQ and HQ core.
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> • Information on sample recovery of historical drilling has not been identified; the Company is endeavouring to access the complete database.
<i>Logging</i>	<ul style="list-style-type: none"> • All outcrop and soil sample points were registered and logged in the Centaurus geological mapping points database; • Information on drill hole logging of historical drilling has not been identified; the Company is endeavouring to access the complete database.
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> • All geological samples were received and prepared by SGS Geosol Laboratories in Parauapebas, Brazil as 0.5-5kg samples. They were dried at 105°C until the sample was completely dry (6-12hrs), crushed to 90% passing 3mm and reduced to 200-300g. The samples were pulverised to 95% passing 150µm and split further to 50g aliquots for chemical analysis. • Information on sample techniques of historical rock chip and soil sampling has not been identified; the Company is endeavouring to access the complete database. • Information on historical drill hole sampling designates that the diamond core (HQ) was cut using a core saw where compact and half core was sampled. Samples were collected representing at least 0.5m and a maximum of 2.0m
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> • Drill core samples were prepared and analysed at SGS Geosol Laboratories. Preparation of the sample consisted of drying, crushing to 2 mm and pulverising to 300gm using a carbon steel mill until 95% of sample passes -150 mesh. The pulverised sample was then split to 50 grams. • Chemical analysis for drill core, soil and stream sediment samples was completed for gold by fire assay and ICP for limit of 0.001ppm as well as multi element using ICP. • Chemical analysis for metal oxides is determined using XRF analysis (XRF79C). Fusion disks are made with pulped sample and the addition of a borate based flux. Analysis at ALS is for a 10 element suite. FeO is determined using titration and LOI using loss determination by thermo-gravimetric analysis at 1000°C. • SGS Geosol Laboratories insert their own standards at set frequencies and monitor the precision of the XRF analysis. These results reported well within the specified 2 standard deviations of the mean grades for the main elements. Additionally the labs perform repeat analyses of sample pulps at a rate of 1:20 (5% of all samples). These compare very closely with the original analysis for all elements. • INV inserted standard samples every 20 samples (representing 5%). Results of the QAQC data are not known. • Laboratory procedures are in line with industry standards.
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> • All recent samples were collected by Centaurus field geologists. All assay results were verified by alternative Company personnel and the Competent Person before release. • All historical samples were collected by INV and Teck field geologists. All assay results were verified and reported by INV's Qualified Person. • The Company does not have access to the database.
<i>Location of data points</i>	<ul style="list-style-type: none"> • The survey grid system used is SAD-69 22S. This is in line with Brazilian Mines Department requirements. All sample and mapping points were collected using a Garmin hand held GPS.

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT & MEDIA RELEASE



Data spacing and distribution	<ul style="list-style-type: none"> • Soil samples were collected on 50m spacing on section with distance between sections of 100m, 200m and 400m depending on location. • Sample spacing was deemed appropriate for geochemical studies but should not be considered for Mineral Resource estimations. • Drill holes reported in this announcement were surveyed using hand held GPS. • No sample compositing has been applied.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • The extent and orientation of the mineralisation was interpreted based on field mapping. Sample orientation is perpendicular to the main geological features sequence along which mineralisation exists.
Sample security	<ul style="list-style-type: none"> • All samples were placed in pre-numbered plastic sample bags and then a sample ticket is placed within the bag as a check. Bags are sealed and placed in larger bags (10 samples per bag) and then transported by courier to the SGS Geosol laboratories in Parauapebas, PA. Sample request forms are sent with the samples and via email to the labs. Samples are checked at the lab and a work order is generated by the lab which is checked against the sample request. • All historical samples were placed in pre-numbered plastic sample bags and then a sample ticket was placed within the bag as a check. Bags were sealed and then transported by courier to the SGS Geosol laboratories in Parauapebas, PA.
Audits or reviews	<ul style="list-style-type: none"> • The Company is not aware of any audit or review that has been conducted on the project to date.

SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> • The Pebas project includes one exploration licence (850.133/2013) for a total of circa 25km². Granted Exploration Licences have three years of exploration rights that may be extended for a further three years. • The tenement was part of an earn-in agreement with Terrativa Minerai SA. Centaurus met the minimum earn in obligations under the Agreement and perfected 100% title to the Pebas tenement in mid-2017. Terrativa retain a production royalty of 2% over any minerals extracted from the tenement. The royalty may be converted to a 25% project interest should it be sold to a third party. • All mining projects in Brazil are subject to a CFEM royalty, a government royalty of 2% on copper and gold revenue. • Landowner royalty is 50% of the CFEM royalty. • The project is covered by a mix of cleared farm land and natural vegetation. The project is not located within any environmental protection zones and exploration and mining is permitted with appropriate environmental licences.
Exploration done by other parties	<ul style="list-style-type: none"> • Historically the Pebas tenement area was explored for copper-gold by INV and Teck. Centaurus has retrieved all data that was made public as NI 43-101 reports from the Sedar website. Centaurus will continue to try to obtain the original data from these companies.
Geology	<ul style="list-style-type: none"> • The Pebas Cu-Au Project is hosted within a slither of the Itacaiúnas Supergroup, host to all IOCG deposits within the Carajás, wedged between two regionally important intrusions. • The 2km long +500ppm copper in soils anomaly is roughly coincident with a 1km long discrete magnetic anomaly. • Mapping and integration of drill results shows that the copper mineralisation occurs as veins and disseminations of chalcopyrite within strongly altered garnet-chlorite-magnetite schists, interpreted to be originally metasediments. These rocks are in faulted contact with a highly siliceous quartzite, which also contains disseminations and stringers of chalcopyrite, pyrite and locally arsenopyrite.
Drill hole Information	<ul style="list-style-type: none"> • Refer to Figures 1-2 and Table 1.
Data aggregation methods	<ul style="list-style-type: none"> • No cut-offs have been applied in reporting of the exploration results. • No aggregate intercepts have been applied in reporting of the exploration results.

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT & MEDIA RELEASE



Criteria	Commentary
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none">• The results reported in this announcement reflect individual down hole sample intervals and no mineralised widths were assumed or stated.
<i>Diagrams</i>	<ul style="list-style-type: none">• Refer to Figures 1-2
<i>Balanced reporting</i>	<ul style="list-style-type: none">• All exploration results received by the Company to date are included in this report or can be referenced to previous ASX/TSX releases.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none">• The Company is not aware of any additional exploration data.
<i>Further work</i>	<ul style="list-style-type: none">• The Company is undertaking a 2,000m RC drill program.• Drill holes are being cased to allow for down-hole EM.